

City of Tucson Bond Project Advisory Committee

2013 Annual Report

Mission and Process:

The Committee's mission, responsibilities and functions include: 1) From time to time, to determine if deferred-maintenance-related deficiencies in the vehicles, equipment, facility infrastructure, communications infrastructure, and information technology infrastructure needed by the City of Tucson can and should be addressed with a bond issue. 2) If a bond issue is deemed appropriate: a. To determine which categories of needs and which specific vehicles, equipment, infrastructure, or projects should be included in any particular bond authorizations(s), and when the bond authorizations(s) should be presented for voter approval; and b. To organize and propose recommended bond authorization package(s) for Mayor and Council consideration, which if approved can be presented to either the City's voters for approval or to The Pima County Bond Advisory Committee for possible inclusion in the bond proposals presented to Pima County's voters for approval. 3) With respect to any bond authorization packages that are approved by City or Pima County voters, monitor the progress of the projects and actions funded by the issued bonds to ensure that the purposes approved are carried out within the financial restrictions set forth by the issued bonds. 4) Provide quarterly reports to the Mayor and Council.

The City of Tucson Bond Project Advisory Committee (BPAC) began meeting September 4, 2013, with the initial assigned task of prioritizing the City's projects on the Pima County Bond projects list as requested by Pima County.

The first set of meetings included presentations regarding the City's financial status and bonding capacity, in addition to detailed descriptions, discussions, and analysis of the first 25 bond projects under consideration.

Criteria for Prioritizing Projects:

Following these presentations and discussions, the committee developed criteria for prioritization of the projects that is similar to Pima County's criteria with some amendments. These criteria include:

- Project has broad demonstrated support by public
- Project has regional public benefit
- Project or program is a capital improvement, not a repair or maintenance project
- Project advances Pima County Board of Supervisors and City of Tucson Mayor and Council's adopted principles of economic development and basic employment growth that will attract more jobs to the community
- Project has leveraged funds (FTA, RTA, etc.) and/or partnerships

- Project advances the following nine principles that represent the shared values identified in the Imagine Greater Tucson process: accessibility, educational excellence, environmental integrity, good governance, healthy communities, higher education, broad-based prosperity, quality neighborhoods, and regional identity.
- Project has a regional or jurisdictional balance and geographic diversity
- Project minimizes future operational and maintenance costs and promotes operational efficiency
- Project promotes downstream economic benefits
- Project addresses immediate health and safety needs
- Project addresses unmet needs and/or underserved or vulnerable populations
- Project considers usage based on general population served at a high benefit-to-cost ratio
- Project increases the quality of life and place
- Project has no alternatives to meet the needs of the community

BPAC's Additional Considerations:

In addition to the criteria listed above, BPAC discussed a number of issues and trends that influenced their recommendations. These include:

Potential Economic Impact: Considerable attention was given by the committee to the importance of job creation and furthering future economic growth with a direct return on public investment. The three Corridor proposals—12th Avenue, Miracle Mile, and the Sunshine Mile scored well in this category. These corridor proposals have a potential return on investment relative with increased sales and property tax revenues in these areas.

Indirect Economic Impact & Quality of Life: The Urban Greenways and other Parks projects have the potential to positively impact property values, increase neighborhood quality of life, increase public health and safety, and reduce crime. As a result, these projects were considered significant indirect economic development drivers by many of the committee members. These projects will help make Tucson a more attractive place to live, work and start a business. Urban Greenways projects have helped create positive impacts in cities such as Seattle and Charlotte. Increased utilization of limited park space will help Tucson compete in areas where the City ranks below the national average (i.e. public park acreage per total municipal area.) Furthermore, several of these projects address the needs of Tucson's most vulnerable populations and would positively increase their quality of life. Several committee members felt strongly that projects should consider and support the limited resources of high stress areas and provide adequate resources for those with limited physical abilities and the elderly.

Capital Improvements/Operations & Maintenance (O&M) Challenges: BPAC recognized that some capital projects increase future demand for ongoing O&M costs (i.e., additional and/or expanded recreation centers.) Others could provide significant additional services to the public for little to no additional cost (i.e., sports field lighting.) In some cases, new facilities could

mean a reduction in the O&M costs compared to the current costs of maintaining aged and deteriorated facilities. Therefore, the recommendations below assume that the City's fiscal condition will not vary widely from current levels, and that it would be in the best interest of the City to first implement projects with limited additional O&M requirements.